GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:1037
ANSWERED ON:28.11.2006
TEXTILE EXPORT
Patel Shri Kishanbhai Vestabhai;Singh Shri Sugrib

Will the Minister of TEXTILES be pleased to state:

(a) whether the textile export in the country has increased in the current financial year;

(b) if so, the details thereof;

(c) whether the Government proposes to extend the period of Technology Upgradation Fund Scheme;

(d) if so, the details thereof; and

(e) the steps taken by the Government to improve the quality of Indian textile / quality in the international market?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a)& (b) : Yes, Sir. As per latest available DGCI&S provisional data, textile export during the period April − July 2006 has amounted to US$ 6134.37 million, recording a growth of 16.08% in comparison to the corresponding period of previous year.

(c)& (d) : No decision has been taken for extension or otherwise beyond March 2007 in respect of Technology Upgradation Fund Scheme (TUFS).

(e) : The Government has been taking a number of steps for the modernization of textiles and garment industry so as to enable it to adopt modern management principle. Some of the important initiatives taken in this regard are as follows:-

i) 100% Foreign Direct Investment is allowed in the textile sector under the automatic route.

ii) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

iii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

iv) A new Scheme namely "Scheme for Integrated Textile Parks" has been formulated by merging "Scheme for Apparel Parks for Exports" and "Textile Centre Infrastructure Development Scheme" in order to expand the production base of textile and garment sector. The Scheme envisages to create 25 Textile Parks of international standard at potential growth centres of India by 2007-08.

v) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given an option of excise exemption.

vi) The import of specified textiles and garment machinery items has been allowed at a concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

vii) Duty-free imports of 21 items of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.

viii) For the speedy modernisation of the textile processing sector, Government has introduced, w.e.f 20.4.2005, a credit linked capital subsidy scheme @10% under TUFS, in addition to the existing 5% interest reimbursement.

ix) The National Institute for Fashion Technology (NIFT), its seven branches, and the Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet the skilled manpower requirements of the textile industry, especially apparel, in the field of design, merchandising and marketing.

x) Facilities like eco-testing laboratories have been created to enable exporters to get garments/textiles pre-tested so that they conform to the requirements of the importing countries.